



# CITY OF LODI COUNCIL COMMUNICATION

**AGENDA TITLE:** Adopt Resolution Approving List of Lodi Energy Efficiency & Conservation Block Grant Fund Projects, an Element of the American Recovery & Reinvestment Act of 2009, and Authorize the City Manager to Submit a Grant Application to the Department of Energy (EUD)

**MEETING DATE:** June 3, 2009

**PREPARED BY:** Electric Utility Director

**RECOMMENDED ACTION:** Adopt a resolution approving a list of Lodi Energy Efficiency and Conservation Block Grant Fund projects and authorizing the City Manager to submit a grant application to the Department of Energy.

**BACKGROUND INFORMATION:** Under the American Recovery and Reinvestment Act of 2009 (ARRA), the State of California (specifically the California Energy Commission) has received \$351 million as part of the Energy Efficiency & Conservation Block Grant program.

Of this amount, \$302 million is earmarked for "large cities" (populations in excess of 35,000 citizens). Within the State's allocation, Lodi is earmarked \$586,000 to expend in the area of energy efficiency and conservation.

In order to secure allocated funds, the City of Lodi has until June 25, 2009 to submit an application to the United States Department of Energy (DOE) detailing the utilization of the funding. The DOE then has approximately 60 calendar days to respond to Lodi's application, and if Lodi is successful in its application process, the DOE processes payment directly to Lodi.

DOE is looking for projects that promote or enhance energy efficiency and conservation at residential and non-residential sites. The projects will be approved based upon five rating categories including job impacts, collaboration/leverage of funds, energy savings, cost of savings (implementation of energy conservation measures or project versus achieved energy savings), and sustainability and market transformation of project(s). It is the applicant's responsibility to sufficiently address and respond to these various criteria in order to secure the predetermined allocation. The projects, by definition, can include energy efficiency building envelope improvements, appliance upgrades, mechanical system improvements and more.

An inter-departmental Staff committee was formed to consider funding proposals submitted by various City departments. After careful review and deliberation, the committee narrowed the list of eligible funding projects down to 10.

A brief description of each project is as follows:

APPROVED: \_\_\_\_\_

*Blair King*  
Blair King, City Manager

Electric Utility Department (\$198,000)

- Lodi Keep Your Cool (\$25,000) – Involves the installation of new refrigeration door gaskets at restaurants, mini-markets, small grocery stores, beverage stores, donut shops, etc.;
- Lodi Lodging Energy Efficiency Pilot Project (\$48,000) – Involves the installation of specific energy conservation measures (lighting retrofits, HVAC improvements, room occupancy controls) for hotels, motels and lodging facilities in Lodi;
- Lodi Low-Income Customer Refrigerator Replacement Program (\$50,000) – Involves the removal of aging, inefficient refrigerators from the homes of low-income customers, and replacing those refrigerators with new, high efficiency refrigerators;
- Lodi Cool the Earth Educational Pilot Project (\$25,000) – This is an educational/outreach pilot program designed for students in grades K-6 at Lodi school sites; this interactive and engaging program teaches students about energy/water conservation, renewable energy and sustainable living practices; and,
- Lodi Energy Efficient Home Improvement Rebate Program (\$50,000) – This is an existing program within the utility; the requested federal funds will be used to enhance rebates to Lodi residential customers for pursue specific energy conservation measures (including upgrading attic/wall insulation, installing whole house and/or attic fans, installing radiant barriers/thermal shield roofing materials, installing shade screens/window tinting, and/or installing a high efficiency central air conditioner and repairing/replacing air ducts).

Information Systems (\$200,000)

- Lodi Computer Server Energy Efficiency Project (\$200,000) – Involves the removal of 25 physical computer servers (which constitute the City of Lodi computer mainframe), and replacing those units with eight high efficiency computer servers.

Parks & Recreation Department/Community Center (\$188,000)

- Kofu Park Community Building Energy Efficiency Project (\$20,000) – involves the installation of a high efficiency HVAC unit, installation of dual-paned windows, installation of door sweeps/weather-stripping, and the installation of R-38 attic insulation;
- Lodi Grape Bowl Lighting Retrofit (\$100,000) – Involves the removal of existing, inefficient lighting, and installing new, high efficiency (lower wattage) lamps;
- Solar-Powered Trash Compaction Pilot Project (\$53,000) – This unique and innovative pilot project involves the purchase and installation of 20 solar-powered trash compacting garbage cans;
- Community Center Energy Management System Retrofit (\$15,000) – Involves the purchase and installation of a new energy management system software package to replace a now defunct system; the new energy management system software will allow Community Center employees to more efficiently operate the facility's HVAC system (both on- and off-site remotely).

Combined, these various projects are forecasted to reduce energy consumption by 2.4 million kilowatt hours annually. Some of the proposed projects will achieve energy savings directly for the City of Lodi, while others will reduce energy consumption for both residential and non-residential customers.

Pending City Council concurrence, the next step in securing the earmarked \$586,000, is for the Electric Utility Department, on behalf of the City of Lodi, to complete and file the appropriate DOE funding application. The goal of utility staff is to file the application by June 10, 2009 (filing deadline to the DOE is June 25, 2009), and then await follow-up questions or direction from the DOE. If Council approves the resolution supporting these projects, a copy of the Resolution will be included with the application.

Staff recommends approval of the proposed resolution supporting the 10 projects to be filed for the Energy Efficiency and Conservation Block Grant funding from the DOE, as well as the authorization for the City Manager and Electric Director to submit the appropriate application to the DOE on behalf of the City of Lodi to receive funding.

**FISCAL IMPACT:** The City of Lodi will receive \$586,000 to implement and complete various energy efficiency and conservation projects. Over time, the City and affected utility customers will reap the benefit of reduced energy, maintenance and operational costs.

**FUNDING:** The various projects outlined in this staff report will be funded via the American Recovery and Reinvestment Act of 2009 (the federal economic stimulus bill).

  
Jordan Ayers  
Deputy City Manager/Internal Services Director

  
George F. Morrow  
Electric Utility Director

Prepared By: Rob Lechner, Manager, Customer Service and Programs

GFM/RSL/lst

*Lodi Energy Efficiency & Conservation Block Grant Fund  
Projects*

Below is a list of the ten (10) energy efficiency and conservation projects that will be submitted as part of the Department of Energy application process:

**Lodi Electric Utility:**

- 1) Lodi Keep Your Cool
- 2) Lodi Lodging Energy Efficiency Pilot Project
- 3) Lodi Refrigerator Trade-In Program
- 4) Lodi Cool the Earth Pilot Project
- 5) Lodi Energy Efficient Home Improvement Rebate Program

**Lodi Information Systems Division:**

- 6) Lodi Computer Server Energy Efficiency Project

**Lodi Parks & Recreation Department/Community Center:**

- 7) Kofu Park Community Building Energy Efficiency Project
- 8) Lodi Grape Bowl Lighting Retrofit
- 9) Solar-Powered Trash Compaction Pilot Project
- 10) Community Center Energy Management System Retrofit

RESOLUTION NO. 2009-75

A RESOLUTION OF THE LODI CITY COUNCIL APPROVING  
A LIST OF LODI ENERGY EFFICIENCY & CONSERVATION  
BLOCK GRANT FUND PROJECTS AND AUTHORIZING THE  
CITY MANAGER TO SUBMIT A GRANT APPLICATION TO  
THE DEPARTMENT OF ENERGY

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WHEREAS, the Department of Energy, under the American Recovery & Reinvestment Act of 2009, has created the Energy Efficiency & Conservation Block Grant Fund; and

WHEREAS, the Department of Energy has identified \$586,000 in federal funding for energy efficiency and conservation projects specifically for the City of Lodi, California; and

WHEREAS, a City inter-departmental committee has recommended ten specific projects for submittal and consideration of funding through the Energy Efficiency & Conservation Block Grant Fund to the Department of Energy, as shown Exhibit A attached hereto.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve the list of Lodi Energy Efficiency & Conservation Block Grant Fund Projects and authorize the City Manager to submit a grant application to the Department of Energy for these projects.

Dated: June 3, 2009

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I hereby certify that Resolution No. 2009-75 was passed and adopted by the City Council of the City of Lodi in a regular meeting held June 3, 2009, by the following Vote:

AYES: COUNCIL MEMBERS – Hitchcock, Johnson, Katzakian, Mounce,  
and Mayor Hansen

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None

  
RANDI JOHL  
City Clerk

Electric Utility Department (\$198,000)

- 1) Lodi Keep Your Cool (\$25,000) – involves the installation of new refrigeration door gaskets at restaurants, mini-markets, small grocery stores, beverage stores, donut shops, etc.;
- 2) Lodi Lodging Energy Efficiency Pilot Project (\$48,000) – involves the installation of specific energy conservation measures (lighting retrofits, HVAC improvements, room occupancy controls) for hotels, motels and lodging facilities in Lodi;
- 3) Lodi Low-Income Customer Refrigerator Replacement Program (\$50,000) – involves the removal of aging, inefficient refrigerators from the homes of low-income customers, and replacing those refrigerators with new, high efficiency refrigerators;
- 4) Lodi Cool the Earth Educational Pilot Project (\$25,000) – this is an educational/outreach pilot program designed for students in grades K-6 at Lodi school sites; this interactive and engaging program teaches students about energy/water conservation, renewable energy and sustainable living practices; and,
- 5) Lodi Energy Efficient Home Improvement Rebate Program (\$50,000) – this is an existing program within the utility; the requested federal funds will be used to enhance rebates to Lodi residential customers for pursue specific energy conservation measures (including: upgrading attic/wall insulation, installing whole house and/or attic fans, installing radiant barriers/thermal shield roofing materials, installing shade screens/window tinting, and or installing a high efficiency central air conditioner and repairing/replacing air ducts).

Information Systems Division (\$200,000)

- 6) Lodi Computer Server Energy Efficiency Project (\$200,000) – involves the removal of twenty-five (25) physical computer servers (which constitute the City of Lodi computer mainframe), and replacing those units with eight (8) high efficiency computer servers.

Parks & Recreation Department/Community Center (\$188,000)

- 7) Kofu Park Community Building Energy Efficiency Project (\$20,000) – involves the installation of a high efficiency HVAC unit, installation of dual-paned windows, installation of door sweeps/weather-stripping, and the installation of R-38 attic insulation;
- 8) Lodi Grape Bowl Lighting Retrofit (\$100,000) – involves the removal of existing, inefficient lighting, and installing new, high efficiency (lower wattage) lamps;
- 9) Solar-Powered Trash Compaction Pilot Project (\$53,000) – this unique and innovative pilot project involves the purchase and installation of twenty (20) solar-powered trash compacting garbage cans;
- 10) Community Center Energy Management System Retrofit (\$15,000) – involves the purchase and installation of a new energy management system software package to replace a now defunct system; the new energy management system software will allow Community Center employees to more efficiently operate the facilities HVAC system (both on- and off-site/remotely).



# Energy Efficiency and Conservation Block Grant



**City Council  
June 3, 2009**



# Background

- The California Energy Commission (CEC) has been allocated \$351 million in Federal stimulus funds from DOE to make conservation block grants to governments
- Lodi has been allocated \$586,000 of this amount
- To get funding, Lodi must submit a grant application by June 25, 2009.





# Proposed Lodi Projects

- Lodi formed an internal City committee to request and evaluate conservation proposals from City Departments.
- The Committee is recommending ten (10) proposals to be included in City's grant application.
- Rating categories included job impacts, collaboration/leverage, energy savings, cost effectiveness, and sustainability.



# Project List

Department	Project	Amount
Electric	Lodi Keep Your Cool Project	\$25,000
"	Lodging Energy Efficiency Pilot	\$48,000
"	Low Income Refrigerator Replacement	\$50,000
"	Cool the Earth Education Project	\$25,000
"	Energy Efficient Home Improvement Project	\$50,000
Information Systems	Computer Server Efficiency Project	\$200,000
Parks & Recreation	Kofu Community Building Efficiency	\$20,000
"	Grape Bowl Lighting Retrofit	\$100,000
"	Solar Trash Compaction Pilot	\$53,000
"	Community Center Energy Management System Retrofit	\$15,000

Total: \$586,000



## Next Steps

- City Council adopts Resolution supporting projects
- Staff completes formal Application and submits by June 25 deadline
- Funding awards are expected to be announced within 60 days